

Cost Transfer Q&As from Webinar

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Q: What is an m-FIN Financial Detail II report?

A: The m-FIN Financial Detail II report is a report available in the Finance folder in CU Data. It provides a detail of transactions for a given timeframe or account code range. We ask that this report (showing the applicable transaction) be attached to all Cost Transfers to verify such things as the account code, amount, ST, description of the expense, and Journal ID.

Q: What is a PI statement?

A: A PI statement is a signed (or emailed) statement from the PI of an award that answers four specific questions:

- What was the expense & *specifically* how does it benefit the award?
- Why wasn't the expense charged to the award to begin with?
- Why did it take more than 90 days for the mistake to be identified?
- How will this be prevented in the future?

Q: What happens if for a reason (personal, health issues) we cannot get the statement from the PI? Can we get the approval or statement from the Chair/Director of the unit?

A: This would need to be determined on a case by case basis. The PI is typically the individual who is most familiar and knowledgeable about the project and the expenses that are utilized on the project. However, in extenuating circumstances someone else who has direct knowledge of the project and the expenses may be able to provide their statements and approval in lieu of the PI. Again though, this would need to be determined based on the situation.

Q: If you want to allocate a purchase to multiple sponsored projects, can you just go ahead and do that up front, in the purchase order requisition, and split the SpeedTypes being used?

A: Yes—in Marketplace and in Concur you can allocate a purchase between multiple STs. In fact, this is the preferable way to process these types of transactions because it eliminates the need for a cost transfer. Please do be aware though that the expense should still be split per the benefit to each Project, and that the reasoning behind the split should be logical and able to be defended if needed.

Q: Have you had experience with PIs wanting to prepay university cores via a JE?

A: Per [Uniform Guidance §200.468 \(b\)](#): "The costs of [Specialized Service Facilities], when material, must be charged directly to applicable awards based on actual usage of the services..." University Cores fall under the same category as Specialized Service Facilities and should be charged to the award as the expenses are actually incurred.

Q: Why are Amazon purchases not allowed?

A: Amazon purchases are not unallowable on projects/awards; however, due to the fact that you can purchase a wide variety of things on Amazon, Amazon purchases may be reviewed more closely by auditors to determine if the purchase is allowable on the award.

Q: I understand that your focus is cost transfers and the documentation required for cost transfers -- but if you know up front in Marketplace or Concur that you need to allocate between multiple awards, is there some special documentation you need to attach in Marketplace or Concur?

A: Although the amount of documentation required to be attached to Marketplace or Concur expenses varies depending on the nature of the expense, it is always good practice to attach sufficient information when available. Split costs made at the time of the original purchase represent less audit risk than cost transfers, but if a purchase is being allocated between multiple awards and you have the reasoning and the (non-problematic) documentation available, then attaching it to the expense allows it to be accessed easily in the future and could provide an answer to an auditor who might ask how the split was determined.

Q: For the travel 50/50 scenario, is okay to say that only the amount available was moved to the project, if there was not a lot left on budget?

A: All travel expenses will need to be allocated to projects based on the benefit to each project. If travel benefitted two projects equally but one project only had enough budget to cover a small amount, the overage would need to be covered by a non-sponsored project ST.

Q: In my department, we charge travel to a non-sponsored project, to a fund 35, and have a strict 60 day review with our post-award to sit with the PI and justify if it benefitted the award, especially sensitive sponsors, before we transfer it to the sponsored project. Is this an okay practice? Rather be safe than sorry with travel on an award.

A: If the process is well-documented and travel is being reviewed carefully and moving within 90 days, then it sounds like this practice is working for your department. My only concern would be that all of those travel expenses would be considered as cost transfers to the award; moreover, additional documentation is typically required when creating and submitting a cost transfer, which could create more of an administrative burden. Perhaps an alternative solution could be to have travel authorization forms submitted and reviewed prior to the trip occurring, and then if the trip is approved it could be charged directly to the project? Either way, you may want to discuss this with your controller's office to confirm.

Q: Please Clarify: PI statement not needed if moved off to an unrestricted fund. Is this also the case for a late transfer after 90 days?

A: If an expense is being moved off of a project to an unrestricted fund, regardless if it is after 90 days, a PI statement would not be needed.

Q: What does UG say about expenses being moved or charged to a grant after a grant closes? Is it 30, 60, 90 days after the close date?

A: Although there is not strict guidance per UG (Uniform Guidance) on expenses being moved or charged to a grant after the grant closes, any expenses being charged to a grant or moving to a grant after the award has ended will require greater scrutiny and could have firmer cut-off dates. As noted, cost transfers and expenses moving to the award close to and especially after the end date are almost guaranteed to be reviewed by sponsors and auditors. Much of it depends as well on whether there is any Final Financial Deliverable for the award (e.g. Final Invoice and/or Final Financial Report). For cost transfers moving onto the award after the end date, part of my review process is to work with the Grant Accountant, Invoicing, and Closeout Teams (i.e., post-award team) to ensure that deadlines are met and the documentation sufficiently supports the transfer.

Q: Could I have the copy of today's presentation?

A: Yes, a PDF copy of the presentation and a recording of the webinar are available on the Cost Transfers page at <https://www.cu.edu/controller/cost-transfers-course-resources>. CPE credit is not available for viewing recorded webinars.